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Times of Crisis

CRISIS LEADERSHIP vs. CRISIS MANAGEMENT

During a crisis it is imperative that the two distinct tasks, Crisis Management and Crisis Leadership, are performed well if there is any hope of coming out of the incident intact. There is an important difference between the two:-

The Difference

*In Dancing With The Tiger: The Art of Business Crisis Leadership*¹ the author defines the difference as:-

“Emergency Managers must patch holes in the fence—fix the problems. Their plans and actions must focus on getting “back to the past” —a solid status quo. Crisis leaders, however, must see beyond the holes in the fence. Their strategy will focus on getting “back to the future” and the opportunities that await.”

During an emergency event, a company’s leader should artfully manage the company’s approved crisis management plans and resources. More specifically, the leader should oversee the effective implementation of emergency response procedures, business continuity plans, crisis communication strategies, and recovery plans. This includes timely decision making and support for those directly impacted by the crisis.

While good crisis management carries out management plans and allocates resources, crisis leadership demonstrates creative human skills, some of which are innate while others are learned. Demonstrating leadership during a crisis means exhibiting those skills that make people want to trust and follow you. In addition, leading during a crisis requires the ability to demonstrate high levels of caring, decisiveness, and persistence against all odds.

Can a corporate leader be a good crisis manager but a poor crisis leader?

In my experience, yes. The performance of many senior leaders during a major event often demonstrates a detailed knowledge of the content and application of a company’s emergency plans which in turn contributes to the safe and adequate resolution of the emergency situation. However, as a crisis leader they could be rated only as ‘adequate’ because they never achieved

¹ Jim Truscott, “*Dancing With The Tiger: The Art of Business Crisis Leadership*,” *Published by MissionMode Solutions, 2010-2012, page 3.*

the appropriate balance between acting and analyzing. A good crisis leader builds strong teams who possess detailed knowledge of a company's emergency plans and are skilled at executing them. Having these strong teams in place then frees the leader to exercise leadership and develop strategy – precisely what staff want and expect of him/her in a crisis.

What qualities would we expect to see in a good leader?

Leaders must demonstrate resolve and decisiveness in order to move an issue along and build confidence in the workforce. Circumstances during an emergency situation can be fast-moving and change quickly. It is often stated that about half the information received in the first hour of a major emergency turns out to be wrong and in all likelihood, 95% of emergencies never escalate to a crisis level. This means that the crisis teams must react quickly and have confidence that the leadership will be ready to guide, assist and support them.

A good crisis leader never overlooks the human element. I have also seen instances where a crisis manager, while near perfect in the *application* of the emergency plans, overlooks the human element because the overall well being of employees and the general public may not be spelled out in those technical plans. A high level of caring in a crisis leader will be evidenced by a demonstrated concern for both the people impacted by the crisis and those dealing with the crisis.

The crisis leader must do all that is possible to ensure everyone's personal safety, making that the organization's first priority. Doing so, demonstrates to all those involved that safety comes before profits and that every reasonable step will be taken to reduce personal risk. It can also limit liability. These actions of care and concern bears well to employees, the general public and the press, all of whom will be judging the crisis leader in the court of public opinion after the emergency is over.

In caring about people, good crisis leaders must take care of themselves and their families as well as their staff. They must be able to recognize when it is time to take a step back; to pause and consider whether everything possible is being done to properly support the efforts and well-being of everyone. Being overtired, overstressed or even hungry can affect the leader's ability to make decisions, provide guidance or offer support to those who need it. Knowing when to take a rest or a quiet meal break will enhance the effectiveness of the thinking process, provide space to ponder next steps and fuel the energy to execute them with confidence.

Reputation and the Eye of the Media.

To reiterate: employees are looking for leadership. If they see that the leader is looking out for their safety and well-being, they are far more likely to follow him/her. But it is not just employees who are watching. The media's perception of the leader's performance is acute. If he/she is seen to be caring and concerned, then the organization's brand will also take less of a

hit in the fickle world of public opinion. Damage to an organization's brand can be more devastating to a company's recovery than damage to its physical assets. Plants, pipelines and drilling rigs can be rebuilt, but years of building trust with the general public, shareholders or government regulators can vanish with one poorly managed incident. Sometimes even the *perception* that the incident is being poorly managed can have an adverse impact, whether or not the response was technically correct.

Stress in Perspective

The pressure induced by multiple and time sensitive decision-making can cumulatively produce severe stress on a senior leader during a crisis situation. Invariably there will be different opinions circulating supporting specific actions or timings. This is normal and can be very productive especially when a different perspective is needed to drive the search for a resolution to an intractable problem. But sometimes differences of opinion and constant challenges can be counterproductive. A good crisis leader listens carefully to contrary perspectives and gives them due weight, but also knows when to stand his/her ground and go with their gut. This is not easy, but if all your viable options have been considered, and the safety of all involved has been prioritized, then after that, all it will cost you is money. Buildings can be rebuilt, lost lives cannot.

Critical Decision-Making During a Crisis Situation

Stress arises because in most crisis situations there is only going to be one chance of 'getting it right the first time.' Thinking and planning ahead and being well-prepared are essential but some decisions to do with personal safety, protection of the environment, costs and communications cannot always be anticipated. Some costs will be recoverable, some will not. A strong crisis leader will know the difference and manage the risks without paying undue heed to changing public opinions or the minute-by-minute musings of the social media.

Effective internal and external communication is crucial and a study in itself, but getting the facts out correctly, early and often supplies valuable information to those who need to deal with the emergency, and is the best way to deal with issues that could damage the organization's image. To mitigate potential communication errors, many organizations use the 3-3-30 rule which requires that messages consist of three short sentences that convey three key messages in thirty words or less. For example an early external communication to a pipeline rupture may look like: "*XYZ Energy Company has responded to the pipeline break at the Town of ABC. We have determined the site is safe. The cause of this incident is currently under investigation*".

Having this kind of pre-approved initial messaging can be the key to meeting the expectations of the public or the media at the onset of the crisis. Some organizations or agencies may also have multiple messages for various demographics, local cultures or even different languages.

During a crisis, sharing appropriate information in a timely fashion with staff, local authorities, the public and the media can be critical for achieving a co-ordinated and effective response,

maintaining staff morale and safeguarding the organization's reputation. A good crisis leader will be one who can develop and capitalize on contacts with others and inspire them to cooperate and work together to achieve a satisfactory outcome.

Remember, as panic can so often be contagious at an emergency site, so too can be the signs of crisis leadership to those same affected people in a time of need.

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